

Old Age, Disability, Death

Note: The risk protection system comprises 2 schemes: The basic scheme and the occupational scheme. The latter is obligatory for all paid employees and is administered by private insurance companies according to the relevant law and under government supervision. The following summary describes the basic scheme.

First and current laws: 1954 (old age and survivors), 1960 (disability).

Type of program: Universal system.

Exchange rate: US\$1.00 equals 1.40 Swiss francs.

Coverage

All residents and employed and self-employed non-residents.

Source of Funds

Insured person: Employees, 3.8% of earnings (old age and survivors), plus 0.6% (disability). Self-employed, 7.6% of income (old age and survivors), plus 1.2% (disability). Inactive persons, variable contributions depending on their assets and income. Self-employed and inactive persons pay an additional 3% of their contribution amount for administrative costs.

Employer: 3.8% of payroll (old age and survivors), 0.6% (disability), and 3.0% of contribution amount for administrative costs.

Government: 18% of annual expenditure (old age and survivor), plus any deficit up to 50% of annual expenditure (disability).

Qualifying Conditions

Old-age pension: Age 65 (men) or 62 (women). 1 year of contributions. Pensionable age will be gradually adapted to 64 years for both sexes.

Disability pension: Permanent loss of capacity to work of 66 2/3% for full pension, 50% to 66% for half pension, and 40% to 49% for quarter pension. 1 year of contributions. Insurance coverage must exist at onset of disability.

Survivor pension: Deceased had 1 year of contributions.

Old-Age Benefits

Old-age pension: Full pension (complete insurance period for age class):

Between 1,005 and 2,010 francs a month. Supplement for spouse aged 55 to 62, 30% of husband's pension; supplement for children, 40%. Partial pension if incomplete contribution period. Anticipated pension: Decrease of 13.6% for 2 years, 6.8% for 1 year. Lower decrease for women of age class 1951 and earlier.

Deferred pension: Increase from 5.2% for 1 year to 31.5% for the maximum 5 years.

Christmas bonus: 100% of December pension.

Permanent Disability Benefits

Disability pension: Full pension (complete insurance period for age class): If level of disability exceeds 66 2/3% (total disability), pension between 1,005 and 2,010 francs a month.

Partial disability: Invalidity between 50 and 66 2/3%, 50% of full pension, if between 40 and 49%, 25% of full pension.

Child supplement, 50% of standard single pension.

Partial pension if incomplete contribution period.

Adjustment: Periodic adjustment of pensions for changes in consumer price index and wage index (in principle, every 2 years). If consumer price index increases by more than 4% in one year, adjustment may be brought forward.

Christmas bonus: 100% of December pension.

Survivors Benefits

Survivor pension: Full pension (complete insurance period for age class): 80% of deceased's hypothetical pension. Payable to widow and widower with children, as well as to widow and widower without children who are aged 45 or more and have been married for at least 5 years. In the remaining cases, pension payable for 2 to 5 years (according to the age of the surviving spouse and the duration of the marriage). Partial pension if incomplete contribution period. Orphan pension: 40% of pension of deceased's hypothetical pension. Payable for each orphan aged under 18 years (25 if trainee or student). Partial pension if incomplete contribution period.

Adjustment: Periodic adjustment of pensions for changes in consumer price index and wage index (in principle, every 2 years). If the consumer price index increases by more than 4% in one year, adjustment may be brought forward.

Funeral grant: Paid by sickness funds for persons insured with them.

Administrative Organization

Old Age, Survivor and Disability Insurance Institute, general supervision.

Sickness and Maternity

First law: 1910.

Current law: 1971.

Type of program: Social insurance system (cash benefits) and universal scheme (medical benefits).

Coverage

Cash sickness benefits: Employed persons.

Voluntary insurance for others.

Medical care: All residents and persons employed in Liechtenstein.

Source of Funds

Insured person: Average percentage of earnings or fixed sum: 1.5% to 2%.

Employer: Average percentage of earnings: 1.5% to 2%.

Government: Contributions towards the cost of medical benefits. Maximum earnings for contribution and benefit purposes: 97,200 francs a year.

Qualifying Conditions

Cash sickness benefits: Membership in health insurance fund.

Cash maternity benefits: 270 days of membership in health insurance fund without interruptions longer than 3 months.

Sickness and Maternity Benefits

Cash sickness benefit: 80% of income. Maximum: 267 francs a day for total disability. Payable after 2 day waiting period for 720 days in course of 900 consecutive days.

Maternity benefit: Same as for sickness benefits. Payable for 20 weeks, of which at least 10 are after confinement.

Medical Benefits For Insured Workers

Medical benefits: Provided by approved doctors, public hospitals, private hospitals and clinics (approved by insurance fund), and recognized sanitariums.

Includes primary and specialist treatment, hospitalization, pharmaceuticals, maternity care, and cures.

Cost sharing by patients includes a set fee of 30 francs for 90 days for each illness (15 francs for persons under age 15). No cost sharing for prenatal examinations or maternity care.

For thermal cures, funds pay a daily contribution of at least 50 francs. Duration: Unlimited.

Dependents' Medical Benefits

Medical benefits for dependents: Same benefits in own right on account of separate insurance coverage.

Administrative Organization

Registered Compulsory Health Insurance Funds, administration of contributions and benefits.

Survivor allowance: Payable to surviving spouse or divorced spouse who has no right to a pension. Variable lump sum depending on the duration of marriage (from 1 to 5 times the annual pension).

Orphan pension: 15% of earnings (25% for full orphan) for each child aged under 18 (20 if student; 70 if disabled).

Maximum survivor pensions: 70% of deceased's earnings (90% if divorced spouse also receiving survivor pension; supplemental pension if survivors are eligible for pensions under the old age, survivor and disability insurance scheme).

Beneficiaries receive cost-of-living allowances which are incorporated into the pension.

Adjustment: As a general rule, pensions are adjusted every 2 years.

Administrative Organization

Registered Compulsory Accident Insurance Funds, administration of contributions and benefits.

Work Injury

First law: 1910.

Current law: 1991.

Type of program: Social insurance system.

Coverage

Employed persons. Voluntary coverage for self-employed persons.

Source of Funds

Insured person: None.

Employer: Premiums according to risk.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 80% of covered earnings up to maximum of 267 francs a year. Payable after two days of illness.

Permanent Disability Benefits

Permanent disability benefits: 80% of covered earnings up to maximum of 97,200 francs a year for total disability.

Constant-care allowance: Depending on level of dependency.

Partial disability: Percentage of full pension depending on degree of disability. No minimum limit of disability (in practice 10%).

Workers' Medical benefits

Workers' Medical Benefits: Expenses covered in full by medical insurance funds. Duration: No limit.

Survivors Benefits

Survivor pension: 40% of covered earnings. Payable to surviving spouse (widow and widower) or to divorced spouse (if deceased required to pay maintenance), if he or she has dependent children, or is at least 2/3 disabled, or is aged 45 or more.

Unemployment

First and current law: 1969.

Type of program: Social insurance system.

Coverage

Compulsory coverage of employed persons, with exception of married women, paid domestic workers and agricultural workers.

Voluntary insurance for all insurable persons.

Source of Funds

Insured person: 0.25% of earnings.

Employer: 0.25% of payroll.

Maximum earnings for contribution and benefit calculations: 97,200 francs a year.

Government: Contributes towards the cost of benefits.

Qualifying Conditions

Unemployment benefit: 6 months of insurance. Available for work, and fulfills supervisory requirements.

Cash benefits for insured workers

Unemployment benefit: 80% of daily earnings. Daily benefits payable for 250 to 500 days in the course of 2 years.

Dependent supplements: 10 francs a day for 1 dependent; 5 francs a day for each additional dependent.

Maximum: 85% of daily earnings.

Administrative Organization

National Unemployment Insurance Fund, administration of contributions and benefits.

Family Allowances

First law: 1957.

Current law: 1986.

Type of program: Universal system.

Coverage

All residents and all non-resident employees and self-employed.

Source of Funds

Insured person: None.

Employer: 2.2% of payroll.

Government: Any eventual deficit.

Qualifying Conditions

Family allowance: Children aged under 18.

Family Allowances

Family allowance: 230 francs per child for the first two children;

280 francs per child for the third and any additional children.

280 francs for all children aged over 10.

Birth grant: 1,900 francs per child; 2,400 francs per child for twins.

Administrative Organization

National Family Allowances Fund, administration of contributions and benefits.